

222 West Genesee St | Lansing, MI 48933 | p: (517) 853-9073

March 25, 2014

Honorable Chair Aric Nesbitt State Representative House Committee on Energy and Technology

Dear Chairman Nesbit and distinguished members of the Committee:

On behalf of the more than 88,000 activists of Americans for Prosperity-Michigan, I am writing in support of House Bill 5184, the Michigan Electric Customer Freedom Act, which would lift the 10% cap on the electricity competition, disbanding the monopoly shared by Consumers Energy and DTE, and allowing the people and businesses of Michigan to choose their electricity provider in an open, competitive market. The passage of this bill would save Michigan consumers up to \$3 billion, and allow for as many as 21,000 jobs.

Allowing consumers, not governments, to determine the needs of a given market is vital to a healthy economy. The method of supply and demand is the best way to ensure that the participants in that economy are getting the best product for the best price, which lets them spend more of their money on other things, thereby supporting the economy as a whole, and fostering statewide growth and prosperity.

Since Governor Granholm and the Michigan Legislature passed the energy package giving 90% of Michigan's electricity market to DTE and Consumers Energy in 2008, Michigan's energy prices have risen by approximately 30%. Thousands of families and businesses have been stuck in a queue, with signed contracts, waiting to gain access to better electric plans, ever since the remaining 10% of the market was filled in 2009. Meanwhile, these Michigan citizens are paying nearly 25% more per kilowatt-hour than the residents of Ohio in their free electric market. Similarly, since Illinois embraced electric choice in 1997, the state has saved a total of \$37 billion.

Families and business owners alike have acknowledged the need for electric choice in Michigan. 11,400 electric customers have already signed up for competitive energy plans in anticipation of the passage of a bill that would allow them to choose the best plan for their individual needs.

I urge you to support HB 5184 and restore free market principles to this fundamental part of Michigan's economy. Please don't hesitate to contact me directly to discuss this issue or legislation further at (517) 853-9073 or infomi@afphq.org.

Sincerely,

Scott Hagerstrom State Director

Americans for Prosperity-Michigan